

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK**

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SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

- against -

**WATERMARK FINANCIAL SERVICES GROUP, INC.,
WATERMARK M-ONE HOLDINGS, INC.,
M-ONE FINANCIAL SERVICES, LLC,
WATERMARK CAPITAL GROUP, LLC,
GUY W. GANE, JR., and
LORENZO ALTADONNA,**

Defendants, and

**GUY W. GANE, III,
JENNA GANE, and
DENKON, INC.,**

Relief Defendants.

08-CV-361S

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**CONSENT ORDER MODIFYING FREEZE ORDER AS TO RELIEF
DEFENDANT DENKON, INC. AND DIRECTING PAYMENT OF
CERTAIN FROZEN FUNDS TO THE COURT**

WHEREAS on May 15, 2008, Plaintiff Securities and Exchange Commission (the “Commission”) commenced this action by filing a Complaint and a Motion for an *Ex Parte* Temporary Restraining Order, Preliminary Injunction, Expedited Hearing and Other Relief, and, on May 16, 2008, the Court entered a Decision and Order that, among other things, granted the Commission’s motion for a temporary restraining order;

WHEREAS, on June 18, 2008, the Court entered a Consent Order Granting Preliminary Injunction and Other Interim Relief (the “Freeze Order”) that, as more fully set forth therein, preliminarily enjoined the defendants from violating the registration and antifraud provisions of

the federal securities laws, continued the asset freeze that had been provisionally in effect since May 15, 2008, and granted other relief;

WHEREAS the Freeze Order, among other things, froze the assets of Relief Defendant Denkon, Inc. (“Denkon”), including Bank of America account number 4434987711 (the “BOA Account”);

NOW, THEREFORE:

I.

IT IS ORDERED, based on the consent of the Commission and Denkon, that the Freeze Order is modified as follows:

Bank of America shall pay forthwith to the Clerk of the Court (United States District Court for the Western District of New York, 304 United States Courthouse, 68 Court Street, Buffalo, New York 14202), the amount of \$58,929.22, including accrued interest and less any applicable bank charges, together with a cover letter identifying Denkon as a relief defendant in this action, setting forth the title and civil action number of this action and the name of this Court, and specifying that the transfer is made pursuant to this Order. Bank of America shall simultaneously transmit photocopies of such transfer and letter to counsel for Denkon, Inc. (Paul V. Nunes, Underberg & Kessler LLP, 300 Bausch & Lomb Place, Rochester, NY 14604) and to the Commission’s counsel in this action (David Stoelting, Esq., U.S. Securities and Exchange Commission, 3 World Financial Center, New York, NY 10281).

II.

IT IS FURTHER ORDERED that the Clerk shall deposit all the funds paid to the Clerk pursuant to this Order into an interest bearing account. These funds, together with any interest and income earned thereon (collectively, the “Fund”), shall be held until further order of the

Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States. The Commission may propose a plan to distribute the Fund subject to the Court's approval.

III.

IT IS FURTHER ORDERED THAT, following the transfer described in part I of this Order, Denkon shall be permitted to use the BOA Account for business purposes directly related to the PostNet franchise operated by Denkon in Palm Beach Gardens, Florida, provided that all net profits must be maintained in Bank of America account 4434987711 and such net profits may be withdrawn only upon an order of the Court.

IV.

IT IS FURTHER ORDERED THAT Denkon shall provide to the Commission by the fifteenth day each month a sworn statement: (a) summarizing Denkon's business activities for the previous month; (b) identifying the net profits of Denkon's business activities for the previous month; (c) attaching the previous month's bank statements and other records relating to the BOA Account; and (d) attaching Denkon's financial statements for the previous month, including an income statement and balance sheet.

V.

IT IS FURTHER ORDERED that except as expressly modified by this Order, the Freeze Order shall remain in full force and effect until further order of this Court.

VI.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of the Freeze Order and this Order, and for all other purposes.

SO ORDERED.

Dated: June 24, 2008
Buffalo, NY

/s/William M. Skretny
WILLIAM M. SKRETNY
UNITED STATES DISTRICT JUDGE